

Network Against FGC in Somaliland NAFIS Network

Terms of Reference (ToR)

Institutional Audit of NAFIS Network

1. Background Information

The Network Against Female Genital Mutilation in Somaliland (NAFIS Network) is a civil society network established in November 2006 and based in Hargeisa, Somaliland. The Network comprises approximately 20 member organizations working collaboratively to end female genital mutilation/cutting (FGM/C), promote gender equality, and protect the rights and well-being of women and girls. NAFIS Network coordinates advocacy, community engagement, policy dialogue, research, capacity building, and outreach activities across Somaliland to support behavior change and legal reform related to harmful traditional practices.

NAFIS places strong emphasis on transparency, accountability, and sound financial and operational systems to ensure effective and efficient use of resources. To uphold good governance and donor confidence, NAFIS prepares annual financial reports supported by independently audited financial statements conducted in accordance with International Standards on Auditing (ISA). In addition to NAFIS, this audit will also cover **BVO** and **WORDA**, both of which are **KNH partners and member organizations of NAFIS Network**.

2. Purpose of the Institutional Audit

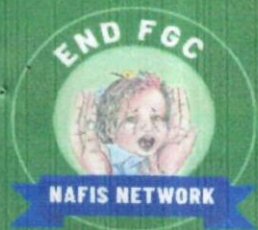
The purpose of this institutional audit is to provide an independent professional auditing services of the financial statements, internal control systems, governance structures, and compliance with organizational policies and donor requirements of NAFIS Network, BVO, and WORDA.

The audit will be conducted ended fiscal year auditing 2025. (1 January – 31 December 2026), with possible extensions depending on organizational requirements.

3. Audit Objectives

The audit shall:

- Provide an independent opinion on the fairness and accuracy of the financial statements of NAFIS Network members including the BVO & WORDA for ended fiscal year of the 2025, and upcoming years of 2026 & 2027
- Assess the adequacy, effectiveness, and reliability of internal financial controls, accounting systems, and governance practices.
- Review compliance with applicable laws, financial regulations, donor agreements, internal policies, and best practice financial management standards.
- Identify gaps and risks, and provide practical recommendations to strengthen institutional systems and accountability.



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4. Scope of the Audit

The audit shall include, but not be limited to, the following:

- Review and verification of expenditures against approved budgets and work plans.
- Verification of accounting records, bank statements, and cash balances.
- Review of supporting documentation for all financial transactions.
- Assessment of internal control systems and financial management procedures.
- Verification of staff salaries, statutory deductions, and contractual compliance.
- Confirmation that financial reports accurately reflect organizational expenditures.
- Verification of project fixed assets and asset registers.
- Review of compliance with statutory obligations, including taxes and social security contributions.
- Confirmation of the legal and operational existence of **NAFIS Network, BVO, and WORDA** during the audit period.
- Identification and assessment of financial, operational, and fraud-related risks.

5. Audit Methodology and Steps

- NAFIS Network, BVO, and WORDA shall provide the Auditor with full access to all relevant documentation, including contracts, budgets, work plans, financial reports, bank statements, and donor funding summaries.
- The audit shall be conducted in accordance with International Standards on Auditing (ISA) and relevant donor compliance guidelines.
- The Auditor shall issue a Management Letter detailing key findings, weaknesses, risks, and recommendations.
- Identified risk areas shall be clearly highlighted and categorized by level of significance.
- Follow-up on the implementation of audit recommendations shall be undertaken until satisfactory improvements are confirmed.

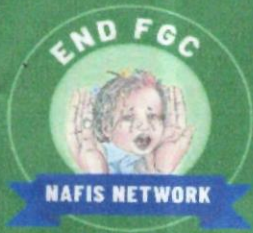
6. Eligibility

Eligible firms must demonstrate experience auditing NGOs, civil society networks, or development projects across multiple countries and adhere to international auditing standards.

7. Qualifications of the Auditing Firm

The auditing firm must:

- Apply internationally recognized auditing standards (ISA, GAAP, IFAC).



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- Demonstrate proven experience auditing NGOs, civil society organizations, and donor-funded projects.
- Have strong knowledge of development cooperation and project-based funding environments.
- Employ qualified professional accountants (CPA, ACCA, or equivalent).
- Be fully independent from NAFIS Network, BVO, and WORDA, and free from any conflict of interest.

8. Quotation Requirements

Interested firms must:

- Provide a lump-sum cost for the audit assignment.
- Break down costs by major audit activities.
- Indicate the estimated number of working days required to complete the assignment.

9. Timing and Duration

- The audit assignment shall commence upon contract signing.
- Draft audit report shall be submitted within 10 days after completion of fieldwork.
- Final audit report shall be submitted within 5 days after receipt of feedback from NAFIS Network.
- The contract shall remain valid for the full duration of the audit process.

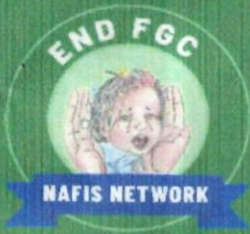
10. Standards and Ethics

The Auditor shall conduct the engagement in accordance with:

- International Standards on Auditing (ISA)
- IFAC Code of Ethics for Professional Accountants (IESBA), including principles of integrity, objectivity, independence, confidentiality, and professional competence.

11. Terms and Conditions

- The audit assignment shall commence immediately upon contract signing.
- The Auditor shall submit a **draft audit report** within **10 days** after completion of fieldwork.
- The **final audit report** shall be submitted within **5 days** after receipt of feedback from NAFIS Network.
- The contract of audit will remain valid for **one year (1 January – 31 December 2026)**, covering the **fiscal year 2025**, with **possible extensions** subject to donor and organizational requirements, and audit report standard acceptance.



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- The Auditor shall bear all costs related to the audit of **NAFIS Network, BVO, and WORDA** within the agreed lump-sum amount.
- NAFIS Network shall not be liable for contract extensions, unforeseen costs, or third-party claims beyond the scope of this ToR.
- The Auditor's rights and obligations shall be strictly limited to the provisions of this contract.

12. Deliverables

The Auditor shall provide:

- Audit Report with an independent opinion on the financial statements.
- Management Letter with findings and recommendations.
- Presentation of key audit findings to the NAFIS Board, BVO, WORDA, and key senior management team.

13. Submission Guidelines

Interested firms should submit the following documents:

- Technical Proposal
- Financial Proposal
- Company Profile and Registration Certificates
- CVs of key audit personnel
- Evidence of similar assignments
- Valid Tax Compliance Certificate

Submission Email: nafis-treasurer@nafisnetwork.org with Cc: chair@nafisnetwork.org

Deadline: 16th February, 2026

Approved by

Khadra Omer Hassan

Chairperson of the Board of directors

NAFIS Network